

challenged by women's groups because they do not discriminate. The proportionality requirement in the proposed federal legislation is similarly gender-neutral.

Phyllis Greenberger, Executive Director of the Society for the Advancement of Women's Health Research, testified before the Senate Commerce Committee in the 104th Congress that U.S. companies are shying away from the contraceptive market because of the unpredictable nature of litigation combined with the enormous cost and limited availability of liability insurance.

INCREASE FUNDING FOR PELL GRANTS

(Mr. MCGOVERN asked and was given permission to address the House for 1 minute and to include extraneous material.)

Mr. MCGOVERN. Mr. Speaker, I rise today to applaud the 12 national organizations who recently wrote this Congress endorsing H.R. 744, a bill I introduced in February to increase Federal funding and eligibility for Pell grants.

The McGovern bill increases the maximum Pell grant from its present level of \$2,700 to \$5,000, which brings the award to the level in which it was created adjusted for inflation. My bill permits more students from modest income families to access higher education and allows more middle-income families with multiple children in college to qualify for financial aid.

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I would also like to commend over 40 of my House colleagues from both sides of the aisle who have signed on as cosponsors of H.R. 744. As the drive to pass this bill continues to gain momentum, I am confident that many more of my colleagues will join the effort to make college more affordable for working families across this Nation. In today's competitive global economy, education is the key to America's success. My bill will help lead the way toward a stronger economy and a brighter future for our children. Let us pass it today.

I include for the RECORD a letter signed by more than 12 major national organizations urging passage of the McGovern-Pell-Grant bill.

APRIL 21, 1997.

DEAR REPRESENTATIVE: We write to express our strong support for HR 744, The Affordable Higher Education Through Pell Grants Act. By restoring much of the value of Pell grants, HR 744's passage and funding offers this Congress its best opportunity to narrow the college participation gap between low-income students and students from affluent families. This gap threatens not just the well-being of the individual students who, due to high cost, will be denied access to higher education and the opportunities that it offers; it also jeopardizes our collective future as a democracy that promotes upward mobility through education and effort.

The gap in college participation rates between the poor and the well-off is growing. Between 1980 and 1993 the gap in the college-going rate of students in the lowest income quartile and of students in the three higher income quartiles grew by 12 percent. Thus, 18 and 19 year olds from families with incomes in the top income quartile are now three times as likely to be enrolled in college as

those in the bottom quartile. Similar gaps can be found in graduation rates. While nearly 48% of the young adults raised in families in the highest socio-economic quartile obtain BA's, only 7% of those from families in the lowest socio-economic quartile do.

A major cause of the growth in the gap is the soaring cost of higher education coupled with the deteriorating value of the primary form of assistance to low-income students—Pell grants.

Between 1980 and 1994 the cost of tuition, room and board at public postsecondary institutions jumped by 44%. Over approximately the same period, Pell grants lost about 50% of their purchasing power. In FY 1979 the maximum Pell grant covered 77.4% of the average cost of a public university; by FY 1997 the maximum Pell grant covered only 33.2% of those costs.

The unchecked growth of the college participation gap will lock hundreds of thousands of students out of college and into limited lives at the margins of our society. And it will cost our nation dearly. Individuals with only a high school diploma earn only half what college graduates earn, are three times more likely to be unemployed, and are five times more likely to live in poverty than are college graduates. Unless narrowed, the growing gap will make college access a destructive wedge, further dividing income groups, rather than the bridge to greater prosperity and productivity that it has been for so many Americans.

Passage of HR 744 alone is not enough to close the college participation gap, but it will certainly narrow it. Carefully constructed progressive tax policies in addition to HR 744 could narrow the gap even more. However, passage of HR 744 must be the first priority of those who wish to increase access to higher education and narrow the college participation gap.

HR 744 is a modest, common sense step toward closing the gap. We urge you to cosponsor this legislation and to work actively for its passage.

Sincerely,

The American Jewish Committee, The Center for Law and Education, The Education Trust, The Mexican American Legal Defense and Education Fund, The NAACP, The National Association of Social Workers, The National Council of Educational Opportunity Associations (NCEO), The National Council of Jewish Women, The National Council of La Raza, The National Puerto Rican Coalition, Inc., The Rainbow/Push Coalition, The US Student Association.

SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 7, 1997, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

MEDICARE TRUSTEES' REPORT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida [Mr. GOSS] is recognized for 5 minutes.

Mr. GOSS. Mr. Speaker, last week four Cabinet-level members of the Clinton administration and the rest of the Medicare trustees released their annual report on the future of the Medicare Program, something of great interest to a great many Americans, and

unfortunately the forecast is very bleak. The condition of the part A trust fund has gone from serious to critical, with only a few years left before flatlining altogether in this very important entitlement program. It is time for the White House to get its act together.

Mr. Speaker, 2 years ago, for the first time in the history of the program, the trust fund paid out more in expenses than it received in revenues. That was a pretty good indicator something was wrong. Last year the program lost \$25 million a day every day and \$9 billion over the course of the year, another indicator something might be wrong. This year that figure will climb to at least \$40 million a day lost and almost \$14.5 billion for the whole year. We are on the fast track to bankruptcy, with only a small window of opportunity to avoid a serious disaster in Medicare part A which so many Americans depend on.

While this projection is undisputed, the call to action from the White House has not been forthcoming. Yes, the President has moved toward us in terms of raw numbers, but he has avoided making the tough choices necessary to truly reform and improve Medicare. In fact, the President's prescription involves no heavy lifting at all. It just ambushes the American taxpayer down the road with higher taxes. Where have we heard that before? By switching the home health portion of Medicare to Part B without a corresponding increase in the premium to pay for it, this administration has signaled that its intention is not to save the program but, rather, to continue to play politics with the numbers and raise taxes.

But there is good news, and that is why I am here. The good news is that we can save Medicare as this Congress has done recently. But it is not going to happen with accounting gimmicks, misguided customer providers, or vetoes from the White House. Instead we should take a hard look at what is driving the soaring costs and address them head on.

We need medical malpractice reform to assure that our precious resources are not being wasted on defensive medicine. A Stanford study found that States that have passed some kind of tort reform, like my home State of Florida, have seen incredible savings in even the most complicated medical areas. The study confirms what many of us already knew, excessive litigation serves the trial lawyers primarily, not our senior citizens.

We can and must increase the number of options available in the Medicare Program. Every senior should have choices to go beyond the fee for service or an HMO, options that include things like provider-sponsored networks and medical savings accounts. Individual choice should be the hallmark of any reform plan.

Of course, we should always keep our eye on the fraud and abuse that still